



***Substitute House Bill No. 5723***

***Public Act No. 06-190***

***AN ACT AUTHORIZING MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM TO CONTRIBUTE TO RETIREMENT INCENTIVE PLANS FOR TEACHERS AND TO PURCHASE RETIREMENT CREDIT FOR CERTAIN SERVICE AS ASSISTANT SOCIAL WORKERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 10-183jj of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):

(a) A local or regional board of education may establish a retirement incentive plan for teachers, as defined in subdivision (1) of subsection (26) of section 10-183b, as amended, in its employ who are members of the teachers' retirement system. The plan shall provide for purchase of additional credited service by [the] a board of education and a member of the system who chooses to participate in the plan, of additional credited service for such [members who choose to participate in the plan] member and for payment by the board of education of not less than fifty per cent of the entire cost of such additional credited service and payment by the member of the remaining percentage of such total cost. Payment shall be made in one lump sum, prior to retirement. Any such plan shall specify a maximum number of years, not exceeding five years, of additional credited service which may be purchased under the plan. Any such plan shall have a two-month application

***Substitute House Bill No. 5723***

period.

(b) Any such member who has attained age fifty and (1) who would become eligible to receive a retirement benefit under subsection (a), (b) or (c) of section 10-183f if such member received additional credited service pursuant to subsection (e) of this section, or (2) who is not retired and is eligible to receive a retirement benefit under subsection (a), (b) or (c) of [said] section 10-183f shall be eligible to apply. Any member who applies shall agree in writing, as part of such application, to submit a complete formal application for retirement to the Teachers' Retirement Board on a date which shall be established by the board of education which employs the member, provided such date shall be on or before the last day of the school year in which additional credited service is purchased for such member pursuant to this section.

(c) All such eligible members may participate in the plan except that a local or regional board of education may limit the number of such members for whom it purchases such additional credited service in any calendar year to a specified percentage of such members in its employ on the first day of January of such year. If participation is limited, members with a greater length of service with the board of education, if they choose to participate, shall have additional credited service purchased before members with a lesser length of service with the board of education.

(d) The amount of additional credited service purchased for any member pursuant to such retirement incentive plan shall be uniformly determined but shall not exceed the lesser of the following: (1) Five years of additional credited service, or (2) an amount of service credit equal to one-fifth of the member's total credited service, including additional credited service purchased by the member [.] pursuant to the provisions of section 10-183e.

(e) For each year of additional credited service purchased pursuant

***Substitute House Bill No. 5723***

to this section, the local or regional board of education and the member shall pay, in accordance with subsection (a) of this section, an amount specified by the Teachers' Retirement Board equal to the actuarial present value, determined according to actuarial tables adopted by the Teachers' Retirement Board, of the difference between the retirement benefit which the member is entitled to receive based upon the member's service apart from such purchased service and the benefit which the member is entitled to receive including such service. Payment for such service may be made in equal annual installment payments, including interest, not exceeding three times the number of years being purchased. Payments shall be made in accordance with subsection (b) of section 10-183n, as amended, and rules adopted by the Teachers' Retirement Board. Any late payments or outstanding obligations from a prior year's purchase or from late payment of monthly mandatory deductions shall be included as part of the cost of purchasing such service. [When a board of education purchases additional credited service for a member pursuant to this section, the Teachers' Retirement Board shall notify the member in writing.] Any additional credited service purchased for any such member shall be in addition to any credited service purchased pursuant to section 10-183e.

Sec. 2. Subsection (b) of section 10-183 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):

(b) Any member may purchase, as provided in subsection (c) of this section, additional credited service, but not to exceed an aggregate of one year in the case of service described in subdivision (2) of this subsection for each two years of active full-time service as a Connecticut teacher; and not to exceed an aggregate of one year in the case of absence described in subdivision (8) of this subsection for each five years of active full-time service as a Connecticut teacher, provided if any such absence exceeds thirty consecutive school months, such

***Substitute House Bill No. 5723***

additional credited service shall be limited to thirty school months; and not to exceed an aggregate of ten years for all service described in this subsection. In no event, however, may any service described in this subsection be purchased if the member is receiving or is, or will become, entitled to receive a retirement benefit based upon such service from any governmental system other than the teachers' retirement system or the federal Social Security System. Additional credited service includes:

(1) Service as a teacher in a school for military dependents established by the United States Department of Defense;

(2) Service as a teacher in another state of the United States, its territories or possessions;

(3) Service in the armed forces of the United States in time of war, as defined in section 27-103, or service in said armed forces during the period beginning October 27, 1953, and ending January 31, 1955;

(4) Service in a permanent full-time position for the state;

(5) Service as a teacher at The University of Connecticut prior to July 1, 1965;

(6) Service as a teacher at the Wheeler School and Library, North Stonington, prior to September 1, 1949;

(7) Service as a teacher at the Gilbert Home, Winsted, prior to September 1, 1948;

(8) Any formal leave of absence as provided in regulations adopted by the board, if the member subsequently returns to service for at least one school year;

(9) Service as a teacher at the American School at Hartford for the Deaf, the Connecticut Institute for the Blind or the Newington

***Substitute House Bill No. 5723***

Children's Hospital;

(10) Forty or more days of service as a substitute teacher, or the equivalent service rendered at less than half-time, in a single public school system within the state of Connecticut in any school year, provided eighteen days of such service shall equal one month of credited service under subsection (a) of this section;

(11) Service in the armed forces of the United States, other than service described in subdivision (3) of this subsection, not to exceed thirty months;

(12) Service as a full-time, salaried, elected official of the state or any political subdivision of the state during the 1978 calendar year or thereafter, if such member subsequently returns to service for at least one school year;

(13) Service in the public schools of Connecticut as a member of the federal Teacher Corps, not to exceed two years; [and]

(14) Service in the United States Peace Corps; and

(15) Service in the United States VISTA (Volunteers in Service to America) program.

Sec. 3. Subsection (g) of section 10-183g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):

(g) A member's complete formal application for retirement, if sent by mail, shall be deemed to have been filed with the board on the date such application is postmarked. No benefit computed under subsections (a) to (d), inclusive, of this section and under subsections (a) to (g), inclusive, of section 10-183aa shall become effective until the end of the calendar month of the filing by the member with the board

**Substitute House Bill No. 5723**

of a complete formal application for retirement. Such benefit shall accrue from the first day of the month following such calendar month and payment of such benefit in equal monthly installments shall commence on the last day of the month in which such benefit begins to accrue. The initial payment of such benefit may be made not later than three months following the effective date of retirement, provided such payment shall be retroactive to such effective date. Upon a finding that extenuating circumstances relating to the health of a member caused a delay in the filing of the member's complete formal application, and such application is filed on or after July 1, 1986, the board may deem such application to have been filed up to three months earlier than the actual date of the filing. Upon a finding that extenuating circumstances related to the health of a member caused a delay in the filing of an election pursuant to subsection (g) of section 10-183aa, and such election is filed on or after July 1, 1986, the board may deem such election to have been filed as of the date such member's benefits would otherwise have been converted to a normal retirement allowance, provided such member's disability allowance became effective on or before November 1, 1976, and such member attained the age of sixty on or after August 1, 1984.

Sec. 4. Section 10-183h of the general statutes is amended by adding subsection (g) as follows (*Effective July 1, 2006*):

(NEW) (g) If a member who has filed an application for retirement dies prior to the effective date of retirement, such member's spouse, if such spouse is designated on such application as the sole beneficiary, may elect to receive either (1) the preretirement death benefits as set forth in this section, or (2) the benefit payment option selected by the deceased member on such retirement application.

Sec. 5. Subsections (a) and (b) of section 10-183t of the 2006 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):

***Substitute House Bill No. 5723***

(a) The retirement board shall offer one or more health benefit plans to: Any member receiving retirement benefits or a disability allowance from the system; the spouse or surviving spouse of such member, and a disabled dependent of such member if there is no spouse or surviving spouse, provided such member, spouse, surviving spouse, or disabled dependent is participating in Medicare Part A hospital insurance and Medicare Part B medical insurance. The board may offer one or more basic plans, the cost of which to any such member, spouse, surviving spouse or disabled dependent shall be one-third of the basic plan's premium equivalent, and one or more optional plans, provided such member, spouse, surviving spouse or disabled dependent shall pay one-third of the basic plan's premium equivalent plus the difference in cost between any such basic plans and any such optional plans. The board shall designate those plans which are basic and those plans which are optional for the purpose of determining such cost and the amount to be charged or withheld from benefit payments for such plans. The surviving spouse of a member, or a disabled dependent of a member if there is no surviving spouse, shall not be ineligible for participation in any such plan solely because such surviving spouse or disabled dependent is not receiving benefits from the system. With respect to any person participating in any such plan, the state shall appropriate to the board one-third of the cost of such basic plan or plans, or one-third of the cost of the rate in effect during the fiscal year ending June 30, 1998, whichever is greater.

(b) Any member who is receiving retirement benefits or a disability allowance from the system, the spouse or surviving spouse of such member, or a disabled dependent of such member if there is no spouse or surviving spouse, and who is not participating in Medicare Part A hospital insurance and Medicare Part B medical insurance, may fully participate in any or all group health insurance plans maintained for active teachers by such member's last employing board of education, or by the state in the case of a member who was employed by the state,

***Substitute House Bill No. 5723***

upon payment to such board of education or to the state, as applicable, by such member, spouse or surviving spouse, or disabled dependent, of the premium charged for his form of coverage. Such premium shall be no greater than that charged for the same form of coverage for active teachers. The surviving spouse or disabled dependent shall not be ineligible for participation in any such plan solely because such surviving spouse or disabled dependent is not receiving benefits from the system. No person shall be ineligible for participation in such plans for failure to enroll in such plans at the time the member's retirement benefit or disability allowance became effective. Nothing in this subsection shall be construed to impair or alter the provisions of any collective bargaining agreement relating to the payment by a board of education of group health insurance premiums on behalf of any member receiving benefits from the system. Prior to the cancellation of coverage for any member, spouse or surviving spouse for failure to pay the required premiums or cost due, the board of education or the state, if applicable, shall notify the Teachers' Retirement Board of its intention to cancel such coverage at least thirty days prior to the date of cancellation. Absent any contractual provisions to the contrary, the payments made pursuant to subsection (c) of this section shall be first applied to any cost borne by the member, spouse or surviving spouse participating in any such plan. As used in this subsection, "last employing board of education" means the board of education with which such member filed his initial application for retirement, and "health insurance plans" means hospital, medical, major medical, dental, prescription drug or auditory benefit plans that are available to active teachers.

Sec. 6. Subsection (b) of section 10-183e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2006*):

(b) Any member may purchase, as provided in subsection (c) of this



***Substitute House Bill No. 5723***

section, additional credited service, but not to exceed an aggregate of one year in the case of service described in subdivision (2) of this subsection for each two years of active full-time service as a Connecticut teacher; and not to exceed an aggregate of one year in the case of absence described in subdivision (8) of this subsection for each five years of active full-time service as a Connecticut teacher, provided if any such absence exceeds thirty consecutive school months, such additional credited service shall be limited to thirty school months; and not to exceed an aggregate of ten years for all service described in this subsection. In no event, however, may any service described in this subsection be purchased if the member is receiving or is, or will become, entitled to receive a retirement benefit based upon such service from any governmental system other than the teachers' retirement system or the federal Social Security System. Additional credited service includes:

(1) Service as a teacher in a school for military dependents established by the United States Department of Defense;

(2) Service as a teacher in another state of the United States, its territories or possessions;

(3) Service in the armed forces of the United States in time of war, as defined in section 27-103, or service in said armed forces during the period beginning October 27, 1953, and ending January 31, 1955;

(4) Service in a permanent full-time position for the state;

(5) Service as a teacher at The University of Connecticut prior to July 1, 1965;

(6) Service as a teacher at the Wheeler School and Library, North Stonington, prior to September 1, 1949;

(7) Service as a teacher at the Gilbert Home, Winsted, prior to

***Substitute House Bill No. 5723***

September 1, 1948;

(8) Any formal leave of absence as provided in regulations adopted by the board, if the member subsequently returns to service for at least one school year;

(9) Service as a teacher at the American School at Hartford for the Deaf, the Connecticut Institute for the Blind or the Newington Children's Hospital;

(10) Forty or more days of service as a substitute teacher, or the equivalent service rendered at less than half-time, in a single public school system within the state of Connecticut in any school year, provided eighteen days of such service shall equal one month of credited service under subsection (a) of this section;

(11) Service in the armed forces of the United States, other than service described in subdivision (3) of this subsection, not to exceed thirty months;

(12) Service as a full-time, salaried, elected official of the state or any political subdivision of the state during the 1978 calendar year or thereafter, if such member subsequently returns to service for at least one school year;

(13) Service in the public schools of Connecticut as a member of the federal Teacher Corps, not to exceed two years; [and]

(14) Service in the United States Peace Corps; and

(15) Service in the public schools of Connecticut as a social work assistant, from January 1, 1969, to December 31, 1986, inclusive, if such member became a certified school social worker and remained in public school service as a social worker after certification.

Approved June 7, 2006